

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** MARCH 5, 2004

**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer

**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** **Agenda Item #6** – LAFCO SC#219 City of Redlands OSC 04-29  
for Water and Sewer Services (Tract 16292)

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**SUBMITTED BY:**

City of Redlands on behalf of property owner/developer

**RECOMMENDATION:**

- 1) For environmental review, take the following actions:
  - a. Certify the Commission has reviewed and considered the environmental assessment and Negative Declaration prepared by the County of San Bernardino for Tentative Tract 16292 for the 69-lot development on 16.17 acres and found them to be adequate for Commission use;
  - b. Determine that the Commission does not intend to adopt alternatives for this project, that all mitigation measures are the responsibility of the County of San Bernardino, not the Commission, and are self-mitigating through implementation of the adopted Conditions of Approval for the project; and,
  - c. Direct the Clerk to file the Notice of Determination within five working days.
- 2) Approve SC#219 authorizing the City of Redlands to extend water and sewer services outside its boundaries to Tentative Tract No. 16292, a 69 residential lot subdivision, on APNs #0298-192-03 and #0298-192-20;

- 3) Adopt LAFCO Resolution #2809 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City of Redlands' boundaries.

**BACKGROUND:**

The City of Redlands has submitted an application for authorization to provide water and sewer service outside its corporate boundaries as permitted by Government Code Section 56133. The City has submitted this proposal in response to an application for water and sewer services by the developer of the project described as "Tentative Tract 16292". The project to be served involves the subdivision of two parcels, totaling 16.17 acres, into 69 residential lots for ultimate development as single-family residences.

The County of San Bernardino Land Use Services Department has processed Tentative Tract 16292 which proposes 69 residential lots. The Conditions of Approval placed upon this project include the requirement for connection to the City of Redlands water and sewer system. At the present time, the City has a water line located within Crafton Avenue and has sewer lines located within Agate Avenue and Nice Avenue (Attachment 1 includes a Location Map identifying this area). The proposed contract would allow the developers of the project to connect to this existing infrastructure.

The developer of this project, Mary Miller Trust et al, has signed an "Agreement for Annexation" with the City of Redlands in order to receive water and sewer services outside its corporate limits. The procedure for utility services outside the City boundaries requires that the developer contact the City's Municipal Utilities Department to assure that the City requirements, as defined in the City's Municipal Code Section 13.60, are met. The requirements include that the area has been reviewed by the appropriate planning authority; it requires that the development proposed be in concert with the City of Redlands General Plan for the area; and that all fees applied by the City of Redlands have been paid.

The developer of this project completed the County land use process for a Tentative Tract in November 2003. The City of Redlands Community Development Department has reviewed the project, indicating that the anticipated development is in concert with the City's General Plan designation of Low-Medium Density Residential, allowing a maximum of 8 units per gross acre. In addition, the City prepared a Socio-Economic Impact Analysis for the Agreement for Annexation of Tentative Tract 16292 which shows a positive cost/revenue effect should the area be included in the City. The City's review

of the agreement for annexation included an environmental assessment of the project which determined that there was no adverse effect from extending the service.

Pursuant to Commission policy, applications for service contracts require the inclusion of information regarding all financial obligations for the extension of these services. The provisions of Measure U within the City of Redlands require that the developer pay an amount equivalent to all development fees of the City of Redlands as a condition for access to water and sewer service. This item is identified in the Agreement for Annexation between the City and Developer under Item #6 on page 3 (a copy of the Agreement is included as an attachment), which has been signed by all parties. In addition, the future residents of the residential units will be charged premium rates for water and sewer service (1.5 times the in-city rate).

The application materials indicate that the following amounts are required from the developer prior to connection to the City's water and sewer facilities:

Water Fees	\$395,528
Sewer Fees	\$292,323
Solid Waste (listed as equivalent sum to City Impact Fee)	\$ 44,850
Public Improvement (listed as equivalent sum to City Impact Fee)	\$639,147
Park (listed as equivalent sum to City Impact Fee)	\$135,861
Total charges to be paid for receipt of Water and Sewer Connections	\$1,507,709

Staff's comment and/or concern in regard to the items outlined above is that it appears that those not tied to a service to be actively provided by the City following contract authorization would need to be accounted for in such a manner that they can be easily identified in the future. These concerns have been addressed to the City in the past and it has been indicated that the sums charged are negotiated by the property owner/developer with the City for the receipt of its water and sewer service outside its corporate limits.

Authorization of this agreement by the Commission is required before the City of Redlands can take the final actions to implement the agreement, which will apply to the developer and future property owners of the 69 lots. In order for this development project to proceed to record the final tract map, etc., the developer must show proof of his ability to connect to the City of Redlands'

water and sewer infrastructure (County Conditions of Approval, Items #42, #43 and #75), which will be the Commission's authorization for the agreement with the City Council.

The staff has reviewed this application against the criteria established by Commission policy and Government Code Section 56133. The area is within the sphere of influence assigned the City of Redlands for the Mentone community, and is anticipated to become a part of that City sometime in the future. The City and developer have entered into an Agreement for Annexation that specifies the requirements of both parties regarding future annexation and the extension of service. The area has been zoned for residential uses by both the City of Redlands General Plan and the County's General Plan addressing the Mentone community. The development application requires the connection to the City's water and sewer infrastructure, as identified in the adopted Conditions of Approval. The developer will be required to extend the necessary infrastructure to the individual lots at his expense and the future residents of the tract will be required to pay premium rates to the City for both water and sewer service.

The staff supports the City's request to provide water and sewer service by contract to the proposed residential development since its facilities are adjacent to the anticipated development, and there is no other existing entity available to provide the level of service required by the tentative tract within the area.

FINDINGS:

1. The proposed Tentative Tract provides for a 69-lot subdivision. The County's review of the tentative tract was approved on November 13, 2003. The tentative tract approval included within its "Conditions of Approval" the requirement for connection to the water and sewer facilities of the City of Redlands.

The agreement for extension of service and annexation between the developer and the City of Redlands was signed by Mary Miller Trust, et al on January 8, 2004, approved by the City Council on February 3, 2004, and signed by the Mayor on the same date. The City Council's approval included the Socio-Economic Impact Study and environmental assessment of the Agreement.

2. The service contract being considered is for the provision of water and sewer services to a 69-lot, single-family residential tract by the City of Redlands to fulfill the Conditions of Approval imposed by the County.

This contract will remain in force for the future property owners of these anticipated parcels in perpetuity, or until such time as the area is annexed. The approval of this application will allow the property owner and City of Redlands to proceed to finalize the contract for the extension of water and sewer services.

3. The “sums equivalent to the City’s development impact fees” charged this project by the City of Redlands, pursuant to the provisions of its Municipal Code Section 13.60 et seq., are identified as totaling \$1,507,709. These fees are required to be paid by the developer, Mary Miller Trust et al, as indicated in the Requirements and Approvals for OSC 04-29, during the calendar year of 2004.
4. In November 2003, acting as the CEQA lead agency, the County prepared an environmental assessment for the Tentative Tract for the overall development and adopted a Negative Declaration. This document indicates that the project would not have a significant effect upon the environment through its development under the Conditions of Approval imposed.

LAFCO Environmental Consultant, Tom Dodson and Associates, has provided a review of the County’s initial study and Negative Declaration issued for this Tentative Tract. Mr. Dodson’s analysis has indicated that the County’s initial study and Negative Declaration are adequate for the Commission’s use as a CEQA responsible agency. The Commission will not be adopting alternatives or mitigation measures for this development, as these are the responsibility of the County. Attachment #4 provides a copy of Mr. Dodson’s response and recommendation regarding the Commission’s review and necessary actions to be taken.

KRM:

- 1 -- Vicinity map and map of the contract area
- 2 -- City of Redlands Application, Cost Worksheet and Contract
- 3 -- County Conditions of Approval for Tract 16292
- 4 -- Tom Dodson and Associates response
- 5-- Draft Resolution No. 2809